

Santacruz Silver Reports First Quarter Financial Results

Vancouver, B.C. – Santacruz Silver Mining Ltd. (TSX.V:SCZ) ("Santacruz" or "the Company") reports its financial and operating results for the first quarter ("Q1") of 2023. The full version of the financial statements and accompanying Management's Discussion and Analysis (the "MD&A") can be viewed on the Company's website at www.santacruzsilver.com or on SEDAR at www.sedar.com. All financial information is prepared in accordance with International Financial Reporting Standards ("IFRS") and all dollar amounts are expressed in thousands of US dollars, except per unit amounts, unless otherwise indicated.

Q1 2023 Highlights

- Processed 482,497 tonnes of material, in line with the previous quarter;
- Silver equivalent ounces produced of 5,644,383, a 2% decrease from the previous quarter;
- Cash cost per silver ounce sold of \$17.30, a 9% decrease from the previous quarter;
- AISC per silver ounce sold of \$20.76, a 4% decrease from the previous quarter;
- Revenue of \$65,378,000, a 2% increase from the previous quarter; and
- Adjusted EBITDA of \$12,602,000 a 335% increase from the previous quarter.

Arturo Préstamo, Executive Chairman of Santacruz, commented, "The first quarter has provided us with a strong start to the year. We maintained production levels while considerably improving our cash position, which provides us with a solid base from which we will keep moving forward."

Mr. Préstamo continued, "We also have several projects we are advancing this year, all of which are expected to provide significant value to the Company. The team is preparing updated NI 43-101 technical reports for all the operating mines, and this is anticipated to be completed in Q3 2023. In addition, we are working towards completing the 'integration drift' to connect the Colquechaquita and Tres Amigos mines at Caballo Blanco, which is expected to be completed in Q1 2024, and increasing the dewatering capacity at Bolivar. Both these initiatives are expected to significantly improve operations at each mine."

Selected consolidated financial and operating information for the quarter ended March 31, 2023 are presented below. The Bolivian Assets have been consolidated from March 18, 2022.

2023 First Quarter Highlights

	2023-Q1	2022-Q4	Change Q1 vs Q4 (%)	2022-Q1	Change Q1 vs Q1 (%)
Operational					
Material Processed (tonnes milled)	482,497	482,626	0%	227,571	112%
Silver Equivalent Produced (ounces) ⁽¹⁾	5,644,383	5,744,128	(2%)	1,613,720	250%
Silver Ounces Produced	1,769,520	1,793,936	(1%)	469,829	277%
Lead Tonnes Produced	3,043	2,900	5%	1,343	127%
Zinc Tonnes Produced	22,463	23,111	(3%)	6,158	265%
Copper Tonnes Produced	415	386	7%	208	99%
Silver Equivalent Sold (payable ounces) ⁽²⁾	4,380,895	4,758,173	(8%)	1,864,738	135%
Cash Cost of Production per Tonne ⁽³⁾	85.84	120.57	(29%)	74.74	15%
Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽³⁾	17.30	19.10	(9%)	17.53	(1%)
All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold (\$/oz) ⁽³⁾	20.76	21.64	(4%)	20.07	3%
Average Realized Price per Ounce of Silver Equivalent Sold (\$/oz) ^{(3) (4)}	21.04	20.77	1%	23.65	(11%)
Financial					
Revenues	65,378	64,309	2%	32,381	102%
Gross Profit	14,680	6,239	135%	8,016	83%
Net (loss) Income	(949)	(8,069)	(88%)	762	(225%)
Net Earnings (Loss) Per Share – Basic (\$/share)	(0.00)	(0.02)	(88%)	0.00	(219%)
Adjusted EBITDA ⁽³⁾	12,602	(5,373)	335%	6,103	106%
Cash and Cash Equivalent	11,988	4,609	160%	8,723	48%
Working Capital (Deficiency)	(14,319)	5,362	(367%)	8,851	(261%)
Shareholder					
Loss per share - Basic and diluted	(0.00)	(0.02)	(86%)	0.00	(219%)

First Quarter 2023 Production Summary – By Mine

	Bolivar ⁽⁵⁾	Porco ⁽⁵⁾	Caballo Blanco Group	San Lucas	Zimapan	Consolidated
Material Processed (tonnes milled)	74,353	49,909	85,817	71,448	200,970	482,497
Silver Equivalent Produced (ounces) ⁽¹⁾	1,249,153	679,144	1,436,322	1,195,164	1,084,600	5,644,383
Silver Ounces Produced	555,914	162,015	475,026	255,623	320,942	1,769,520
Lead Tonnes Produced	353	217	1,043	473	957	3,043
Zinc Tonnes Produced	4,313	3,245	5,650	5,848	3,407	22,463
Copper Tonnes Produced	N/A	N/A	N/A	N/A	415	415
Average head grades per mine:						
Silver (g/t)	250	122	187	125	70	132
Zinc (%)	6.40	6.89	7.01	8.90	2.20	5.23
Lead (%)	0.65	0.58	1.50	0.94	0.63	0.72
Copper (%)	N/A	N/A	N/A	N/A	0.38	0.38
Silver Equivalent Sold (payable ounces) ⁽²⁾	771,783	407,875	702,667	1,557,683	940,887	4,380,895

Notes for both tables above:

- ⁽¹⁾ Silver Equivalent Produced (ounces) have been calculated using prices of \$21.86/oz, \$0.91/lb, \$1.52/lb and \$3.67/lb for silver, lead, zinc and copper respectively applied to the metal production divided by the silver price.
- ⁽²⁾ Silver Equivalent Sold (payable ounces) have been calculated using the Average Realized Price per Ounce of Silver Equivalent Sold stated in the table above, applied to the payable metal content of the concentrates sold from Zimapan, Bolivar, Porco, the Caballo Blanco Group, and San Lucas.
- ⁽³⁾ The Company reports non-GAAP measures, which include Cash Cost of Production per Tonne, Cash Cost per Silver Equivalent Ounce Sold, All-in Sustaining Cash Cost per Silver Equivalent Ounce Sold, Average Realized Price per Ounce of Silver Equivalent Sold, Adjusted EBITDA. These measures are widely used in the mining industry as a benchmark for performance, but do not have a standardized meaning and may differ from methods used by other companies with similar descriptions. See the "Non-GAAP Measures" section in the MD&A for definitions.
- ⁽⁴⁾ Average Realized Price per Ounce of Silver Equivalent Sold is prior to all treatment, smelting and refining charges.
- ⁽⁵⁾ Bolivar and Porco are presented at 100% whereas the Company records 45% of revenues and expenses in its consolidated financial statements.

Cease Trade Order Update

Further to the Company's news release dated May 8, 2023, the Company has notified the British Columbia Securities Commission that it has filed its audited annual financial statements and corresponding management's discussion and analysis for the year ended December 31, 2022, and its unaudited financial statements and corresponding management's discussion and analysis for the three months ended March 31, 2023, including the respective CEO and CFO certificates. The Company expects the cease trade order ("CTO") to be lifted after market close on Friday, June 9, 2023, followed shortly by the resumption of trading of the Company's shares on the TSX Venture Exchange (the "TSXV") early next week.

About Santacruz Silver Mining Ltd.

Santacruz Silver is engaged in the operation, acquisition, exploration, and development of mineral properties in Latin America. The Bolivian operations are comprised of the Bolivar, Porco and the Caballo Blanco Group, which consists of the Tres Amigos, Reserva and Colquechaquita mines. The Soracaya exploration project and San Lucas ore sourcing and trading business are also in Bolivia. The Zimapan mine is in Mexico.

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Arturo Préstamo Elizondo,
Executive Chairman

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Forward looking information

This news release includes certain statements and information that may constitute forward-looking information within the meaning of applicable Canadian securities laws. Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of the Company regarding future events. Generally, forward-looking statements and information can be identified by the use of forward-looking terminology such as "intends", "expects" or "anticipates", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would" or will "potentially" or "likely" occur. This information and these statements, referred to herein as "forward-looking statements", are not historical facts, are made as of the date of this news release and include without limitation, statements regarding: the impact of the Company's initiatives in Caballo Blanco and Bolivar, the lifting of the CTO and the timing of Santacruz's shares resuming trading on the TSXV.

These forward-looking statements involve numerous risks and uncertainties and actual results might differ materially from results suggested in any forward-looking statements. These risks and uncertainties include, among other things, risks that: the Company's initiatives in Caballo Blanco and Bolivar will not have the anticipated results, the Company will not obtain regulatory approval in order to lift the CTO or that Santacruz's shares will not resume trading on the TSXV

soon, if at all, risks related to changes in general economic, business and political conditions, including changes in the financial markets, changes in applicable laws, and compliance with extensive government regulation, as well as those risk factors discussed or referred to in the Company's disclosure documents filed with the securities regulatory authorities in certain provinces of Canada and available at www.sedar.com.

In making the forward-looking statements in this news release, the Company has applied several material assumptions, including without limitation, the assumption that: the Company's initiatives in Caballo Blanco and Bolivar will have a positive impact on the Company's operations, the Company will obtain regulatory approval in order to lift the CTO and that Santacruz's shares will resume trading on the TSXV soon.

There can be no assurance that any forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, the reader should not place any undue reliance on forward-looking information or statements. The Company undertakes no obligation to update forward-looking information or statements, other than as required by applicable law.